

USA

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USI

THE UNITED STATES OF INDONESIA

FACTS

Next year a new United States will be born—THE UNITED STATES OF INDONESIA. It will be patterned after the United States of America, sovereign, independent, federal and democratic. Like the USA, the USI will be big, rich in resources. • This new, free USI will be important to the USA, to Holland and Western Europe, as well as to the world at large. It offers much, needs much.

USI will supply essential industrial materials for world recovery in huge amounts—tin, rubber, copra, palm oil, quinine, sugar, others.

USI will need machines, goods, capital investments, government credits, technicians and advisors.

USI promises to be a pivot-point of political stability, of cooperation between East and West in seething Asia.

USI will need good will of the democracies to support growth of its own free institutions.

FACT**THE USI WILL BE MODELLED ON THE USA**

The USA has high prestige in colonial and former colonial areas. It has the reputation of standing against the domination of any people by any other people, of standing for equal opportunity and government of, by and for the people.

More than that, the USA's flexible combination of strong, effective federal government with full local autonomy has special appeal to Indonesia's diverse peoples.

Indonesia's "atomized" character as an archipelago of 3100 islands, the vast extent of its geographical sweep, the particular interests of its 150 ethnic groups, the varying stages of their development and their different languages and customs—all these demand the pliability of a federal union: unity in diversity—*e pluribus unum*.

It requires a political form which will leave local ways of doing things free to proceed and develop in their own way. But it also demands a type of federation which can provide the essential unifying bond to mobilize and express the inherent strength of 75,000,000 capable Indonesians whose islands are one of the treasure-houses of the world.

This is why they are organizing as a new United States, each state having its own executive, legislative and judicial branches, corresponding to the same federal organs.

FACT**FOUNDATIONS FOR THE USI HAVE BEEN LAID**

The trend toward a USI as the mould for postwar Indonesia started almost as soon as stability began to return to that long-troubled area two years ago. It was at the Malino Conference on Celebes in the summer of 1946 that Indonesian leaders, in discussion with Dutch officials, first proposed adoption of American political forms.

On March 8, 1948, an Interim Federal Government took over the reins of government which had been held by the Government of The Netherlands Indies for 132 years, after nearly two centuries of rule by the Dutch East Indies Company. Eight Indonesian leaders and six Dutch experts participate in its Cabinet. Its President is Hubertus J. van Mook, who has been Lieutenant Governor General since the end of the war. In 1949 this interim government is to be replaced by the government of the United States of Indonesia.

All-inclusive membership in this transitional group awaits successful conclusion of negotiations with the previously intransigent Indonesian Republic. By agreement the Republic will then join the Interim Government as a member State in the future USI.

Differences between the Republic and the Dutch have long been reduced to the sole problem of implementing agreed principles. Principles themselves were thrashed out long ago.

Under the Renville Agreement of January, 1948, signed on the U.S. Navy transport *Renville*, in Batavia harbor, The Netherlands retains sovereignty during the period in which the USI is being organized. Next year the new federation assumes full sovereignty.



The Renville Agreement also set forth 18 political principles as the basis for a final Dutch-Republican settlement. Negotiations are now going on between the two parties.

The Renville principles provide: plebiscites for disputed areas within six months to one year after signing of a political settlement; a constitutional convention; a provisional, federal legislature as soon as possible; and a voluntary union between the Netherlands Kingdom and the sovereign USI.

FACT

SOME FUTURE USI STATES HAVE BEEN FORMED, OTHERS ARE EMERGING

Over a year old is the first of them—*East Indonesia*. It is large and prosperous, has a population of 12,000,000, and has been functioning with its own President and a Cabinet responsible to an elected Parliament.

Recently established is West Java—the state of *Pasundan*—with a population of 12,000,000 Sundanese. Interestingly, this group freely elected one of the principal Republican chieftains, Wiranata Kusuma, as its first head.

A total of perhaps 10 States is expected eventually, including Borneo, East Sumatra, Madura, South Sumatra, and a grouping of the Riouw Archipelago with the tin islands, Banka and Billiton.

FACT

USI AND USA NEED EACH OTHER

To USA, USI represents increasingly important economic and political stakes:

- 32% of U.S. rubber imports, 10% of tin imports, 80% of palm oil, 43% of sisal and kapok, 90% of quinine, 95% of tapioca, 25% of tea, 97% of pepper—plus many other essential commodities.
- location of \$250,000,000 of American invested capital.
- a market and capital outlet which are among the few remaining economic frontiers of the world.
- one of the political key-stones of the whole Orient—whose stability is essential to America as the greatest of all Pacific powers.
- one of the strategic key-stones of the immense Pacific, standing athwart routes between the Indian and Pacific oceans, controlling air and sea lanes between Asia and Australia.

To USI, USA represents a vital partner in its new venture:

- as a market.
- as a source of capital and credit.
- as a center from which to draw industrial and technical knowledge and skills.
- as a political promise that democracy works.
- as a potent friend in an uneasy world.



FACT**BOLD NETHERLANDS LEADERSHIP HAS MET THE CHALLENGE OF A
WORLD CHANGED BY WAR, IN INDONESIA AND AT HOME ALIKE**

Holland's role in the new Indonesia found clear expression in the speech by Queen Wilhelmina on February 3, 1948, broadcast to the United States of America as an interested party.

"Seven years ago when Hollaud was under Nazi oppression I announced to my countrymen the intention to establish a new relationship between The Netherlands and the other parts of our commonwealth . . . Today this partnership is a living reality rapidly taking final shape . . . We know that in our days no relationship between nations can be stable unless it is based on mutual consent and mutual effort . . . COLONIALISM IS DEAD."

In Europe the Dutch took stock of their position as one of the middle powers and, with Belgium and Luxembourg, formed the Benelux economic union.

In Asia, Holland's historic position as mentor and trustee for a developing Asiatic people will emerge at last at its final goal—a free union between The Netherlands and the USI. This union expresses the will of both parties for mutual consultation and cooperation in matters of common concern: foreign affairs, defense, foreign trade.

FACT**THE SOVEREIGN USI TAKES A RICH HERITAGE FROM DUTCH STEWARDSHIP**

It includes: freedom from epidemics and famine: vast population increases due to civil peace and improved social hygiene (on Java and Madura from 4 million in 1810 to 50 million in 1948): a going economy: self-sufficiency in food: an export surplus of rich cash crops introduced by the Dutch—tea, coffee, rubber, cocoa, sugar, tapioca, palm oil, tobacco, quinine and sisal: growing industry: equitable distribution of land among Indonesian owners: a reservoir of almost 500,000 trained civil servants: and most of all, a sense of unity among Indonesia's 150 widely differing ethnic groups.

FACT**HOLLAND OWES MUCH TO INDONESIA**

It includes: pre-eminence in the trade of tropical products—tea, tobacco, coffee, sugar, rubber, quinine, palm oil and fibres: economic returns yielding 14% of Holland's total income: an outlet for capital and enterprise.

FACT**THIS TWO-WAY HERITAGE AND THE EMERGING DUTCH-INDONESIAN
PARTNERSHIP PROMISE A STABLE FUTURE**

Indonesia's great natural wealth gives solid hope of continued economic development.

Teamwork with the Dutch assures mutual aid—Dutch capital, skill and personnel in return for essential economic ties with Indonesia.

Its economic promise and favorable political outlook together assure the democracies of a new free and stable partner.

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